

**HELM-ATLANTIC ASSOCIATES**  
**LIMITED PARTNERSHIP**

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

May 19, 1999

RECORDATION NO. **22192** FILED

JUN 7 '99

12-45 PM

Mr. Vernon Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Locomotive Lease Agreement dated as of February 11, 1999 ("**Memorandum**") between the following parties:

Lessor: Helm-Atlantic Associates Limited Partnership  
c/o Helm Atlantic Corporation  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111


Lessee: Bangor and Aroostook Railroad Company  
Northern Maine Junction Diesel Shop  
Rural Route 2, Box 45  
Bangor, ME 04401

The equipment involved in this transaction is as follows:

Equipment: Eight (8) locomotives as more fully described  
in Schedule A to the Memorandum.

Please file this Memorandum as a primary document and return one (1) stamped original to my attention. A check covering the filing fee of twenty-six dollars (\$26.00) is enclosed.

Yours truly,

  
Alison Drain  
Document Administrator

/ad  
Enclosures (2)

MEMORANDUM OF  
LOCOMOTIVE LEASE AGREEMENT

JUN 7 '99

12-45PM

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT ("Memorandum") is made as of February 11, 1999 and is intended to evidence that certain Locomotive Lease Agreement dated as of February 11, 1999 ("Lease") between HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP, a Delaware limited partnership ("Lessor"), and BANGOR AND AROOSTOOK RAILROAD COMPANY, a Maine corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11301. Lessor has the right to lease the locomotives, more fully described in Schedule A hereto ("Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Lease.

The Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

LESSEE

HELM-ATLANTIC ASSOCIATES  
LIMITED PARTNERSHIP

BANGOR AND AROOSTOOK RAILROAD COMPANY.

By: Helm Atlantic Corporation,  
its General Partner

By: BF Collins

Print Name: David R. Eckles

Print Name: BF Collins

Its: President

Its: Vice President + CEO

CM

SCHEDULE A  
TO THE MEMORANDUM OF LEASE

THE UNITS

Equipment Description: GP40 locomotives

Unit Numbers:

1. HATX 401
2. HATX 402
3. HATX 403
4. HATX 404
5. HATX 408
6. HATX 415
7. HATX 418
8. HATX 420

CM

STATE OF CALIFORNIA       )  
                                      ) S.S.  
COUNTY OF SAN FRANCISCO )

On May 19<sup>th</sup>, 1999, before me, Alison Drain personally  
appeared David R. Eckles, President of **HELM-ATLANTIC ASSOCIATES LIMITED  
PARTNERSHIP**,

X personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s)  
whose name(s) is/are subscribed to the within instrument and acknowledged  
to me that he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted,  
executed the instrument.

Witness my hand and official seal.

[Notarial Seal]

Alison Drain  
SIGNATURE OF THE NOTARY

STATE OF MAINE       )  
                                      ) S.S.  
COUNTY OF PENOBSCOT )

On \_\_\_\_\_, 1999, before me, NORMA J. GRIFFITHS personally  
appeared B.F. COLLINS, VICE PRESIDENT & DCOO of  
**BANGOR AND AROOSTOOK RAILROAD COMPANY**,

— personally known to me -OR-

— proved to me on the basis of satisfactory evidence to be the person(s)  
whose name(s) is/are subscribed to the within instrument and acknowledged  
to me that he/she/they executed the same in his/her/their authorized  
capacity(ies), and that by his/her/their signature(s) on the instrument  
the person(s), or the entity upon behalf of which the person(s) acted,  
executed the instrument.

Witness my hand and official seal.

[Notarial Seal]

Norma J. Griffiths  
SIGNATURE OF THE NOTARY

CM